



Guidelines for Medical Necessity Determination for Occupational Therapy

These Guidelines for Medical Necessity Determination (Guidelines) identify the clinical information MassHealth needs to determine medical necessity for occupational therapy services performed in *outpatient and home settings*. These Guidelines are based on generally accepted standards of practice, review of the medical literature, and federal and state policies and laws applicable to Medicaid programs.

Providers should consult MassHealth regulations at 130 CMR 450.000 (all providers), 432.000 (independent therapists), 410.000 (acute outpatient hospitals), 430.000 (rehabilitation centers), 403.000 (home health agencies), and 433.000 (physicians) for information about coverage, limitations, service conditions, and other prior-authorization requirements. Providers serving members enrolled in a MassHealth-contracted managed care organization (MCO) should refer to the MCO's medical policies for covered services.

MassHealth reviews requests for prior authorization on the basis of medical necessity. If MassHealth approves the request, payment is still subject to all general conditions of MassHealth, including member eligibility, other insurance, and program restrictions.

Section I. General Information

Occupational therapy is defined as therapy services, including diagnostic evaluation and therapeutic intervention, that are designed to improve, develop, correct, rehabilitate, or prevent the worsening of functions that affect the activities of daily living (ADL) that have been lost, impaired, or reduced as a result of acute or chronic medical conditions, congenital anomalies, or injuries. Occupational therapy programs are designed to improve quality of life by recovering competence and preventing further injury or disability, and to improve the individual's ability to perform tasks required for independent functioning, so that the individual can engage in ADLs.

MassHealth considers approval for coverage of occupational therapy services on an individual, case-by-case basis, in accordance with 130 CMR 450.204.

Section II. Clinical Guidelines

A. Clinical Coverage

MassHealth bases its determination of medical necessity for occupational therapy on a combination of clinical data and the presence of indicators that would affect the relative risks and benefits of the procedure (if appropriate, including post-operative recovery). These criteria include, but are not limited to, the following.

1. The member presents signs and symptoms of functional impairment in one or more of the following areas.
 - a. **Sensory ability** – problems with sensation or perception

- b. **Motor ability** – problems with range of motion, muscle strength, muscle tone, endurance, balance, dexterity, or coordination
 - c. **Functional status** – problems with basic or instrumental ADLs that involve functional mobility, personal self-care (for example, feeding, dressing, or bathing), work, or home activities
 - d. **Cognitive ability** – problems with orientation, concentration (attention loss), comprehension, learning, organization of thought, problem-solving, or memory
 - e. **Psychological ability** – problems with apathy, depression, anxiety, perceived incompetence, lack of persistence, or decreased coping skills in a social environment
2. A medical history and a physical exam have been conducted by a *licensed physician or clinician* to determine factors or medical conditions contributing to impaired functions. The history and physical must include the following:
- a. a brief description of the condition and date of onset;
 - b. the member's functional status before the onset of the condition;
 - c. tests and measures used to diagnose the disorder;
 - d. any past treatments; and
 - e. the member's current medical status or other disabilities.
3. The risk factors have been identified and documented. Such factors can include, but are not limited to, the following:
- a. progressive or static neurological conditions that slow, or promote deterioration of, body functions, such as multiple sclerosis, cerebral palsy, polio, spina bifida, or amyotrophic lateral sclerosis;
 - b. surgical procedures requiring post-operative therapy, such as replacement of joints or limb amputation requiring the use of prosthetic, orthotic, or self-help devices to restore function;
 - c. impaired cognitive function from severe injury due to trauma, stroke, infection, tumor, surgery, or progressive neurological disease; and
 - d. medical conditions that require rehabilitation services, such as cardiac conditions, brain or spinal injuries, hip fracture, replacement surgery, or cancer treatments.
4. A comprehensive evaluation has been conducted to determine the member's current medical status, disability, level of functioning, health and psychosocial status, and the need for treatment.
5. A written treatment plan that includes all of the following elements has been developed:
- a. the diagnosis with date of onset or exacerbation of condition;
 - b. the anticipated functional treatment goals and potential for achievement;
 - c. the short-term and long-term functional treatment objectives that are specific and measurable;
 - d. the treatment techniques and interventions to be used, including amount, frequency, and duration required to achieve goals;
 - e. education of the member and primary caregiver to promote awareness and understanding of the diagnosis, prognosis, and treatment; and
 - f. a summary of all treatment provided and results achieved (response to treatment, changes in the member's condition, problems encountered, and goals met) during previous periods of therapy services as applicable.
6. The type of service requested includes one or more of the following.
- a. **Evaluation** – the administration of diagnostic and prognostic tests, as required, of a member's level of function (for example, range of motion, muscle strength, balance, or ADL tests) to design an active corrective or restorative treatment or maintenance program
 - b. **Therapeutic exercise** – task-oriented therapeutic exercises designed to restore physical function, sensory-integrative function, functional status, and IADLs
 - c. **Cognitive treatment programs** – programs for patients with head or brain injuries to restore reality orientation (for example, to person, place, and time)

- d. **Compensatory techniques** – techniques to improve the level of independence in activities of daily living, such as the following:
 - restoring the lost use of an arm to perform ADLs;
 - teaching an amputee how to use a prosthetic device;
 - teaching a stroke patient new techniques to perform ADLs; or
 - standing or balance tolerance following a hip fracture or hip replacement.
 - e. **Therapeutic activities** – Task-oriented therapeutic activities designed to restore physical function, sensory-integrative function, functional status and IADLs
 - f. **Therapeutic modalities** – Modalities that help alleviate pain, improve muscle strength or reduce inflammation to promote recovery and return of function (examples are ultrasound, iontophoresis, parafin, and E-stim)
7. Therapy services are reasonable and necessary as follows.
- a. The member's condition requires treatment of a level of complexity and sophistication that can only be safely and effectively performed by a licensed occupational therapist.
 - b. The treatment program, outlined under Section I.A.5, is expected to significantly improve the member's condition within a reasonable and predictable period of time, or prevent the worsening of functions that affect the ADLs that have been lost, impaired, or reduced as a result of acute or chronic medical conditions, congenital anomalies, or injuries.
 - c. The amount, frequency, and duration of services are reasonable by professionally recognized standards of practice for occupational therapy.
 - d. Services are provided under the care of a licensed physician, or when allowed by MassHealth regulations, by a licensed nurse practitioner, with a written treatment plan that has been developed in consultation with a licensed occupational therapist.

B. Noncoverage

MassHealth does not consider occupational therapy services to be medically necessary under certain circumstances. Examples of such circumstances include, but are not limited to, the following.

1. The services involve non-diagnostic, non-therapeutic, routine, or repetitive procedures to maintain general welfare and do not require the skills of a licensed therapist.
2. The treatment program attempts to recreate a work environment to rebuild self-esteem, to recondition a member for his or her unique job situation, rather than to treat a specific medical condition.
3. The therapy replicates services that are provided concurrently by any other type of therapy, particularly physical therapy and speech and language therapy, which should provide different treatment goals, plans, and therapeutic modalities. (Refer to the MassHealth Guidelines for Medical Necessity Determination for Physical Therapy and for Speech and Language Therapy.)
4. The therapy is intended to improve or restore function where the member suffers a temporary loss or reduction of function that could reasonably be expected to improve without such therapy as the member resumes activities, such as deconditioning following prolonged bed rest.
5. The services are not considered reasonable or necessary as defined in Section I.A.7 for diagnosis or treatment of an illness or injury when functional goals or objectives are related solely to specific employment opportunities, work skills, or work settings.
6. There is no clinical documentation or treatment plan to support the need for therapy services or continuing therapy.
7. Services are considered research or experimental in nature.

Section III. Submitting Clinical Documentation

Requests for prior authorization for occupational therapy must be accompanied by clinical documentation that supports the medical necessity for this procedure.

A. Documentation of medical necessity must include all of the following:

1. the primary diagnosis name and ICD-CM code specific to the treatment for which services are requested;
2. the secondary diagnosis name and ICD-CM code specific to the medical condition;
3. the severity of the signs and symptoms of functional impairments;
4. the member's medical history and last physical exam, as indicated in Section I.A.2;
5. a comprehensive evaluation of the member's condition, as indicated in Section I.A.4;
6. a written treatment plan, goals, and the member's rehabilitation potential, including any risk factors or comorbid conditions affecting the treatment plan, as indicated in Section I.A.5;
7. the proposed type of service, amount, frequency, and duration of treatment; and
8. documentation of measurable progress toward previously defined goals.

B. Prior-authorization requests must be submitted by a MassHealth provider. MassHealth strongly encourages the use of electronic submissions. Information on electronic submission may be obtained by calling 1-800-862-8341. The MassHealth Prior Authorization Request Form must be used when submitting a PA request on paper and all pertinent documentation must be attached.

C. Prior authorization is required for occupational therapy services for all members after the 20th visit within a 12-month period. The request for prior authorization must be accompanied by clinical documentation that supports the need for the services being requested.

D. MassHealth bases its determination of medical necessity for occupational therapy services on a combination of clinical data and the presence of indicators that would complicate treatment or affect recovery, or when evaluations demonstrate measurable and objective progress.

Select References

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These Guidelines are based on review of the medical literature and current practice in rehabilitation services for occupational therapy. MassHealth reserves the right to review and update the contents of these Guidelines and cited references as new clinical evidence and medical technology emerge.

This document was prepared for medical professionals to assist them in submitting documentation supporting the medical necessity of proposed treatment. Some language used in this communication may be unfamiliar to other readers; in this case, contact your health-care provider for guidance or explanation.

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